

ER 8-610

15 August 1956

MEMORANDUM FOR: Chief, IC Division

SUBJECT: Section 401 of the Mutual Security Act of 1954,
as Amended

1. Section 401 of the Mutual Security Act of 1954, as amended by P.L. 726, 84th Congress, reads as follows:

"TITLE IV - OTHER PROGRAMS

SEC. 401. SPECIAL FUND. -(a) Of the funds made available under this Act, not to exceed \$150,000,000, in addition to the funds authorized to be appropriated under subsection (b) heretof, may be used in any fiscal year, without regard to the requirements of this Act or any other Act for which funds are authorized by this Act, in furtherance of any of the purposes of such Acts, when the President determines that such use is important to the security of the United States. Not to exceed \$100,000,000 of the funds available under this section may be expended for any selected persons who are residing in or escapees from the Soviet Union, Poland, Czechoslovakia, Hungary, Rumania, Bulgaria, Albania, Lithuania, Latvia, and Estonia or the Communist-dominated or Communist-occupied areas of Germany, or any Communist-dominated or Communist-occupied areas of Asia and any such countries absorbed by the Soviet Union, either to form such persons into elements of the military forces supporting the North Atlantic Treaty Organization or for other purposes, when the President determines that such assistance will contribute to the defense of the North Atlantic area or to the security of the United States. Certification by the President that he has expended amounts under this Act not in excess of \$50,000,000 and that it is inadvisable to specify the nature of such expenditures, shall be deemed a sufficient voucher for such amounts. Not more than \$30,000,000 of the funds available under this section may be allocated to any one nation in any fiscal year.

(b) There is hereby authorized to be appropriated to the President for the fiscal year 1956 \$100,000,000, and for the fiscal year 1957 not to exceed \$100,000,000, for use in accordance with subsection (a) of this section.

(c) It is the purpose of this Act to advance the cause of freedom. The Congress joins with the President of the United States in proclaiming the hope that the peoples who have been subjected to the captivity of Communist despotism shall again enjoy the right of self-determination within a framework which will sustain the peace; that they shall again have the right to choose the form of government under which they will live, and that sovereign rights of self-government shall be restored to them all in accordance with the pledge of the Atlantic Charter. Funds available under this section may be used for programs of information, relief, exchange of persons, education and resettlement, to encourage the hopes and aspirations of peoples who have been enslaved by communism.

2. The Mutual Security Appropriation Act (P.L. 853, 84th Congress) appropriates the \$100,000,000 authorized in Section 401 (b) of the enabling Act.

25X1A9a

Legislative Counsel

IG:NSP:fm

Distribution:

Orig & 3 - Addr.

1 - OGC

2 - Leg. Counsel ✓